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## BUDGET UNIT BRIEF – FY 2018

Fiscal Services Division

December 18, 2017



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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

# Commercial Air Service Vertical Infrastructure Grant Program — SAF

## Purpose and History

Appropriations for the Commercial Air Service Vertical Infrastructure (CSVI) Program under the Department of Transportation (DOT) support infrastructure improvements at commercial service airports. Past CSVI projects have included infrastructure improvements such as the rehabilitation and renovation of hangars, terminals, and other buildings; construction of parking garage bridges and parking facility enhancements; vehicle and chemical storage; office additions; renovation of aircraft rescue fire fighting facilities; and other improvements. The projects must meet the definition of vertical infrastructure under Iowa Code section 8.57. Of the 109 publicly owned airports in Iowa, eight are commercial service airports. They are located in Burlington, Cedar Rapids, Des Moines, Dubuque, Fort Dodge, Mason City, Sioux City, and Waterloo.

The General Assembly began providing an annual appropriation for the CSVI Program in SF 2381 (FY 1999 Infrastructure Appropriations Act). The Program was established in administrative rules and became effective in December 1998. At that time, there were 10 commercial service airports, including the current locations and Spencer and Ottumwa. However, in 2001 the airports in Spencer and Ottumwa changed classification to general aviation due to the withdrawal of the commercial airline Great Lakes Airlines from those locations.

Applications are submitted to the DOT Office of Aviation and approved by the Transportation Commission. No local match is required. The State funds are distributed by a 50/40/10 formula, with 50.0% of the appropriated funds allocated equally between each of the commercial service airports, 40.0% allocated based on the percentage of enplaned passengers during the previous fiscal year, and 10.0% allocated based on the proportion of air cargo tonnage at each airport during the previous fiscal year. The General Assembly established this formula during the 2000 Legislative Session in SF 2453 (FY 2001 Infrastructure Appropriations Act).

## State Funding

Initial capital funding for the CSVI Program began in FY 1999 with \$945,000 from the Rebuild Iowa Infrastructure Fund (RIIF). Since FY 1999, funding has been provided from the following funds: the General Fund, the RIIF, the Restricted Capital Fund (RCF), the Revenue Bonds Capitals Fund (RBC), the Endowment for Iowa's Health Restricted Capitals Fund (RC2), the Revenue Bonds Capitals II Fund (RBC2), and the State Aviation Fund (SAF). From FY 2006 to FY 2017, funding levels have primarily

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## More Information

Department of Transportation — Office of Aviation: [www.iowadot.gov/aviation](http://www.iowadot.gov/aviation)

Aviation in Iowa — Commercial Air Service:

[www.iowadot.gov/aviation/aviationiniowa/commercialairservice.html](http://www.iowadot.gov/aviation/aviationiniowa/commercialairservice.html)

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remained consistent at \$1.5 million annually. In FY 2017, \$60,000 was appropriated from the SAF, while the remainder of the \$1.5 million appropriation came from the RIIF. In estimated FY 2018, \$900,000 was appropriated from the RIIF.

**Related Statutes and Administrative Rules**

Iowa Code chapter [330](#)

Iowa Code section [8.57](#)

Iowa Administrative Code [761](#)